

Date: February 3, 2015

To: Thomas J. Bonfield, City Manager

Through: W. Bowman Ferguson, Deputy City Manager

From: Joel V. Reitzer, Jr., Director, General Services Department

Subject: Proposed conveyance of various property interests to the North Carolina Department of Transportation for the Alston Avenue widening project

Executive Summary

The North Carolina Department of Transportation (NCDOT) needs to acquire various property interests from the City for NCDOT's Alston Avenue widening project (the Project). The proposed conveyances, outlined below, incorporate land from three city-owned parcels, which are located at 1117 Gillette Avenue, 116 S. Alston Avenue, and 1000 Gilbert Street.

NCDOT will pay the City \$32,055.00 as compensation for these property interests.

NCGS §160A-274 allows a governmental unit to sell to another governmental unit an interest in real property upon such terms as City Council deems reasonable.

General Services staff recommends the City convey the following property interests to NCDOT for the compensation listed below:

- 1117 Gillette Avenue (parcel # 119091): \$830.00 for .019 acres for a temporary construction easement
- 116 S. Alston Avenue (parcel # 111925): \$12,150.00 for .124 acres in fee simple, which is a total take of this parcel
- 1000 Gilbert Street (parcel # 111270): \$19,075.00 for .004 acres for a temporary construction easement, .023 acres for a temporary drainage easement, .027 acres for a permanent drainage easement, .011 acres for a permanent utility easement, and .013 acres in fee simple, with the proceeds from sale of these property interests to be granted to Keep Durham Beautiful.

NCDOT has requested the City convey various property interests affecting two other city-owned parcels, which are located at 917 Liberty Street and 1318 E. Pettigrew Street. Negotiations between NCDOT and the City are ongoing, the details of which will be submitted to City Council in a subsequent agenda item.

Recommendation

The General Services Department recommends that City Council 1) pursuant to NCGS §160A-274, authorize conveying to the North Carolina Department of Transportation a) .019 acres on 1117 Gillette Avenue for a temporary construction easement; b) the entire .124-acre parcel located at 116 S. Alston Avenue in fee simple; and c) .078 acres on 1000 Gilbert

Street for a temporary construction easement, a temporary drainage easement, a permanent drainage easement, a permanent utility easement, and fee simple right-of-way for a total amount of \$32,055.00, and 2) authorize the City Manager or Mayor to convey the city-owned property interests by special warranty deed.

Background

NCDOT plans to widen Alston Avenue from NC 147 to US 70 Business/NC 98, resulting in a predominantly four-lane roadway that will both improve safety and reduce congestion in the area. Project designs include constructing sidewalks on both sides of the road and widening outside lanes to accommodate bicycles. NCDOT requires the aforementioned property interests from the City as part of the Project.

Issues and Analysis

The Project will not disrupt the current use of the three parcels. The City purchased the vacant parcels located at 1117 Gillette Avenue and 116 S. Alston Avenue expressly for this Project. The City acquired 1000 Gilbert Street for intended use as part of Long Meadow Park. However, the property is not currently being used as a park and remains vacant.

The deed for 1000 Gilbert Street contains a restriction requiring that proceeds from a sale of all or part of the property be donated to a public charity as designated by City Council. After consulting with both the City Attorney's Office and the Department of Parks and Recreation (DPR), staff recommends to the City Council that donating sale proceeds to the local non-profit organization Keep Durham Beautiful (KDB) is appropriate.

As part of Long Meadow Park, the parcel would have served as a place for the community to engage in recreational activities, a function served by all city parks. The previous owners of the parcel conveyed it to the City in 1932 for that express purpose. KDB's retention of the funds on behalf of DPR is an appropriate way to ensure that the community benefits from this parcel as intended.

Real Estate staff reviewed NCDOT's appraisals for all three city-owned parcels affected by the proposed conveyances. Based on that review, staff determined that the compensation offered by NCDOT for the property interests on 1117 Gillette Avenue and 1000 Gilbert Street is reasonable.

However, staff requested a higher compensation amount than what NCDOT offered for the total taking of 116 S. Alston Avenue, an amount more consistent with comparable market values. NCDOT has approved that amount.

Alternative

City Council could decide not to authorize the conveyance of the requested property interests to NCDOT. This alternative is not recommended because NCDOT requires these property interests in order to construct improvements to Alston Avenue that will reduce congestion and improve safety in the area.

Financial Impact

The City will receive compensation from NCDOT totaling \$32,055.00. Staff recommends donating the portion of compensation paid for 1000 Gilbert Street, \$19,075.00, to KDB. Donating the proceeds to KDB satisfies the dictates of the deed restriction and enables KDB and DPR to apply those funds directly to Durham's park and recreation facilities.

The remainder of the proceeds, \$12,980.00, will be deposited in the City's General Fund for Sale of Land (Account 0100-661100).

NCDOT will be responsible for payment of all closing costs.

SDBE Summary

This item does not require review by the Equal Opportunity/Equity Assurance Department.

Attachments

Aerial view of parcels' locations

Construction drawings depicting property interests needed on three city-owned parcels